

VZCZCXRO7378
PP RUEHCHI RUEHFK RUEHHM RUEHKS RUEHPB
DE RUEHWL #0927/01 3280246
ZNR UUUUU ZZH
P 240246Z NOV 06
FM AMEMBASSY WELLINGTON
TO RUEHC/SECSTATE WASHDC PRIORITY 3525
INFO RUEHZU/ASIAN PACIFIC ECONOMIC COOPERATION
RUEHNZ/AMCONSUL AUCKLAND 1027
RUEAIIA/CIA WASHINGTON DC

UNCLAS SECTION 01 OF 02 WELLINGTON 000927

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FOR EAP/ANP

E.O. 12958: N/A
TAGS: [PGOV](#) [NZ](#)
SUBJECT: NEW ZEALAND: AUCKLAND STADIUM DEBATE HIGHLIGHTS
OVERLAP, MUDDLE IN NEW ZEALAND'S ECONOMIC HEART

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This message was drafted by ConGen Auckland.

11. (SBU) Summary. Aucklanders are locked in an emotional debate over where to build a stadium to host the 2011 Rugby World Cup. The debate has highlighted the divided nature of decision-making in New Zealand largest city, as well as Auckland's uneasy relationship with the rest of the country. End summary.

12. (U) The debate over the site for a new rugby stadium has dominated headlines and cocktail party chatter in New Zealand's largest city, and indeed in many parts of the rest of the country, for the better part of November. When New Zealand was chosen in November 2005 to host the 2011 Rugby World Cup, it promised to build a 60,000 seat stadium to hold the event.

A New Cathedral for the Unofficial National Religion?

13. (U) Until early November, public discussion had meandered over whether to renovate the sentimental but timeworn home of New Zealand rugby, Eden Park, or build an entirely new stadium. On November 10, Minister for the Rugby World Cup Trevor Mallard (1) announced the government's preference for a new, landmark national stadium on the Auckland waterfront and (2) gave local government in Auckland until November 24 to choose between a waterfront stadium and the renovation of Eden Park. If the city could not decide, Mallard threatened to move the World Cup to Jade Stadium in Christchurch. Shortly thereafter, Auckland City Mayor Dick Hubbard came out strongly in favor of the waterfront option.

14. (SBU) It would be reasonable to presume that support from the national government and the mayor would settle the matter, but that would overlook the competition between overlapping power bases that threatens to undermine efforts to make Auckland a world class city by the standards (if not the size) of its neighbors across the Tasman Sea.

Divided Government, Divided Public Opinion

15. (U) The greater Auckland area, home to 1.4 million of New

Zealand's four million citizens, is not one city, but many. It is composed of Auckland City and three other cities, each of which has its own elected council and mayor, as well as three nearby districts. Yet another body, the Auckland Regional Council (ARC), separately elected and funded, has authority over Auckland's waterfront and parks as well as responsibility for planning the development of the Auckland region as a whole. Further adding to the muddle, the ARC oversees a holding company whose portfolio includes Ports of Auckland, the port management company that would have to give up a portion of its property for the waterfront stadium.

16. (SBU) Public opinion over the stadium is divided. An ongoing (and unscientific) survey of the Auckland based New Zealand Herald readers shows two-to-one opposition to the waterfront stadium. However, as the survey sample is self-selected, it is likely skewed towards "no" voters who tend to be more vehement than waterfront supporters. Some oppose the waterfront stadium because of the cost. Even waterfront supporters admit in private that it would cost considerably more than the NZ\$500 million (USD 330 million) officially estimated. A full upgrade of Eden Park would cost much less. Others believe the stadium would be a blemish on the waterfront, a sterile behemoth that would be empty and desolate most of the time. Still others claim that a waterfront stadium, built on piles in the harbor, could not be completed in time.

17. (SBU) Nonetheless, advocates of a waterfront stadium seemed to gain some steam as the November 24 deadline approached. The Herald bucked its own reader poll and came out on November 22 in favor of the waterfront plan. Like the rest of the pro-waterfront crowd, the Herald argued in favor of an iconic structure that would be a catalyst to turn Auckland into a world-class city. Some of the most starry-eyed waterfront advocates see such a stadium as Auckland's own Sydney Opera House that would turn the underutilized harbor area into a true city center, something

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Auckland lacks.

On The Waterfront...

18. (U) The Auckland City Council met on the evening of November 23 to vote on the stadium, after a court denied an injunction to block the meeting requested by a group of waterfront opponents. After the contentious five-hour discussion, a 13-7 majority of councilors backed Mayor Hubbard's support for the stadium. However, a majority of the Council also called for the stadium to be built along the waterfront further east than the site Mallard proposed, a move that would further disrupt the operations of Ports of Auckland.

...Or Not

19. (U) Barely twelve hours after the Auckland City Council supported the waterfront option, the Auckland Regional Council voted unanimously in favor of Eden Park. ARC Chairman Mike Lee argued that the Eden Park option would be cheaper and less risky. He also argued that the waterfront option would adversely affect the operation of the port (as noted above, Ports of Auckland is owned by the ARC). Auckland City Mayor Dick Hubbard, after the ARC vote, seemed to back away slightly from supporting the waterfront option, saying that the Auckland City Council's vote had been "conditional" and that he would like to have seen more information on the impact of the waterfront stadium on the port.

¶10. (SBU) While it is likely that Eden Park will host the 2011 Rugby World Cup, waterfront proponents may make another push. It seems still more likely that the split decision will renew calls for a fundamental reconsideration of the Auckland region's governance structure.

¶11. (SBU) The stadium debate also shed light on the testy relationship between Aucklanders and other New Zealanders. Auckland is wealthier, far larger, and much more multicultural than other NZ cities. Aucklanders are seen as money-focused, materialistic and unfriendly and those who live outside Auckland believe the city absorbs more than its fair share of government resources. Some argue that the divided nature of Auckland government suits the rest of the country fine, as a single, unified Auckland authority might greatly increase what many Kiwis believe is its already disproportionate influence on national affairs.

¶12. (SBU) Aucklanders, in contrast, see the city as the country's forward-looking, dynamic and cosmopolitan economic engine, and believe the city gets shortchanged in the resource tussle with rural areas and smaller cities. While non-Aucklanders resent having to pay for a stadium that they believe will only benefit the city, Aucklanders resent the tight-fistedness of their fellow countrymen, who seem willing to fund prestigious but money-losing projects in other cities. This may be why the government seems to have decided to pay for the bulk of a waterfront stadium through sponsorship and hotel and airport taxes that will fall neither on Aucklanders nor other Kiwis, but on foreign tourists.

¶13. (SBU) The arena debate also has national political implications. We will report on these septel.
McCormick